

Republican Move to Kill Fiat Financing Defeated

The House Banking and Currency Committee defeated a Republican attempt yesterday to scuttle U.S. participation in the financing of an automobile plant in the Soviet Union.

By a vote of 18 to 15, the committee voted down an amendment introduced by Rep. Paul A. Fino (R-N.Y.) that would make it impossible for the Export-Import Bank to take part in the deal.

House Minority Leader Gerald R. Ford (R-Mich.), asked for comment on the vote, said the GOP would fight for the Fino amendment on the floor. In view of the closeness of the committee vote, it was not immediately clear when Administration leaders might bring the measure up for a vote.

The plant is to be built by the Fiat company of Italy under contract with the Soviet government. Under President Johnson's policy of building bridges to the East, the Export Import Bank would finance \$50 million worth of the cost through the Instituto Mobiliare Italiano, an Italian financial institution that would make the money available to Fiat for the purchase of machine tools in this country.

Fino's amendment, offered on a bill to extend the life and financing resources of the bank, would bar the bank from financing exports to any country engaged in hostilities with the United States or to any government supplying a

country engaged in hostilities with the United States.

The Soviet Union is supplying war goods to North Vietnam.

The committee voted after hearing secret testimony from Director Richard I. Helms of the Central Intelligence Agency.

It was understood that Helms and two aides repeated the substance of a CIA report endorsing the Fiat deal. The report, which was made public earlier this year, made it clear that the danger of the machine tools to be used in the automobile plant being converted to defense production was minimal.



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CIA Director Richard Helms leaves after testifying.